



Understanding Banking Transactions

Extension Activity for *Financial Awareness for Youth* Presentation

Age Level:

- Ages 12-16

Learning Objective:

This extension activity, along with the *Financial Awareness for Youth* presentation should help students:

- define different banking transactions

Materials Needed:

- whiteboard
- whiteboard marker
- *Understanding Banking Transactions* worksheet (1 per student)
- pencils (1 per student)

Lesson Plan:

1. Write the following words on the whiteboard before the lesson:

- | | |
|-------------------------|-------------------------|
| • debit purchase | • cheque |
| • e-Transfer | • mobile cheque deposit |
| • direct deposit | • ATM withdrawal |
| • preauthorized payment | • ATM deposit |

2. Ask students the following question: what is a banking transaction? Allow students to share their responses aloud and write correct responses on the whiteboard
3. Share with students the following definition of a banking transaction:
banking transaction: any activity performed on a bank account by the account holder or at their request
4. Explain to students whenever they put money into (deposit) or take money out of (withdraw) their bank account they are performing a banking transaction
5. Share with students there are many types of banking transactions. There may or may not be a fee for performing banking transactions depending on the type of transaction and type of bank account
6. Introduce students to the words written on the whiteboard and explain all the terms refer to different banking transactions



7. Go through each term and ask students what they know about the term. Write correct responses on the whiteboard
8. Share the following definitions with students:

debit purchase	using a debit card (also called a bank card) to make a purchase at a store. Your card is swiped or tapped against a machine and money is automatically transferred
e-Transfer	moving money from one bank account to another using the internet
direct deposit	putting money into a bank account as a form of payment (e.g. a paycheck is put directly into an employee's bank account)
preauthorized payment	a money transfer scheduled on a predetermined date to pay a recurring bill. The money is transferred from the individual's bank account to the person or organization they owe money too (e.g. money is transferred from an individual's bank account to a phone company to pay a phone bill)
cheque	a document that instructs a financial institution to pay a specific amount of money from a person's account to the person in whose name the document has been issued
mobile cheque deposit	depositing a cheque into your bank account using a smartphone or other mobile device. You take a picture of the cheque from your bank's financial app, the financial institution will scan the cheque for authenticity and deposit the amount in your bank account
ATM withdrawal	taking money out of your bank account using an ATM (automated teller machine)
ATM deposit	putting money into your bank account using an ATM (automated teller machine)

9. Distribute the *Understanding Banking Transactions* worksheet and pencils to students
10. Review the answers with students after they have completed the worksheet



Understanding Banking Transactions

Instructions: match each term to its definition

- | | | | |
|-------------------|--------------------------|-------------------|--------------------------|
| a) debit purchase | b) e-transfer | c) direct deposit | d) preauthorized payment |
| e) cheque | f) mobile cheque deposit | g) ATM withdrawal | h) ATM deposit |

1. _____ putting money into your bank account using an ATM (automated teller machine)
2. _____ putting money into a bank account as a form of payment (e.g. a paycheque is put directly into an employee's bank account)
3. _____ a document that instructs a financial institution to pay a specific amount of money from a person's account to the person in whose name the document has been issued
4. _____ moving money from one bank account to another using the internet
5. _____ taking money out of your bank account using an ATM (automated teller machine)
6. _____ depositing a cheque into your bank account using a smartphone or other mobile device. You take a picture of the cheque from your bank's financial app, the financial institution will scan the cheque for authenticity and deposit the amount in your bank account
7. _____ a money transfer scheduled on a predetermined date to pay a recurring bill
8. _____ using a debit card (also called a bank card) to make a purchase at a store. Your card is swiped or tapped against a machine and money is automatically transferred



Understanding Banking Transactions: Answer Key

Instructions: match each term to its definition

- | | | | |
|-------------------|--------------------------|-------------------|--------------------------|
| a) debit purchase | b) e-transfer | c) direct deposit | d) preauthorized payment |
| e) cheque | f) mobile cheque deposit | g) ATM withdrawal | h) ATM deposit |

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4. b moving money from one bank account to another using the internet
5. g taking money out of your bank account using an ATM (automated teller machine)
6. f depositing a cheque into your bank account using a smartphone or other mobile device. You take a picture of the cheque from your bank's financial app, the financial institution will scan the cheque for authenticity and deposit the amount in your bank account
7. d a money transfer scheduled on a predetermined date to pay a recurring bill
8. a using a debit card (also called a bank card) to make a purchase at a store. Your card is swiped or tapped against a machine and money is automatically transferred